

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 1632-04  
Bill No.: Perfected HS for HB 511  
Subject: Secretary of State: Elections  
Type: Original  
Date: April 3, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
General Revenue	(\$37,009)	(\$40,811 to Unknown)	(\$41,833 to Unknown)
<b>Total Estimated Net Effect on General Revenue Fund *</b>	<b>(\$37,009)</b>	<b>(\$40,811 to Unknown)</b>	<b>(\$41,833 to Unknown)</b>

**\* Unknown cost is for State's 5% match and is expected to exceed \$100,000.**

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
Highway	(\$16,800)	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>(\$16,800)</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government *</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

\* Cost on a statewide basis would be expected to exceed \$100,000 annually.

## FISCAL ANALYSIS

### ASSUMPTION

Officials of the **Office of Secretary of State** assume the state by making a 5% match from the General Revenue Fund would receive approximately \$9,000,000 to up-grade the state's election system, and provide for a centralized data-base system.

**Oversight assumes the 5% matching money would come from the State's General Revenue Fund and would be greater than \$100,000. According to Secretary of State officials, the 5% matching monies are in current budget request; therefore, Oversight will not show them as a cost in FY 2004, but will show an Unknown Cost in FY 2005, and 2006.**

Officials of the **Office of State Treasurer** assume that with the creation of two new funds and with the wording in this proposal, their office would require 1 FTE, an Accounting Analyst I, to monitor disbursements. Officials estimate personal service cost for 10 months of FY 2004 at \$23,442; and \$28,833 in FY 2005; and \$29,554 in FY 2006. Officials estimate equipment cost in FY 2004 at \$4,080; and in FY 2005 at \$309; and \$318 in FY 2006. Total cost estimated including fringe benefits are \$37,009 in FY 2004; \$40,811 in FY 2005; and \$41,833 in FY 2006.

ASSUMPTION (continued)

Officials of the **Department of Health- Vital Statistics** assume no fiscal impact.

Officials of the **Department of Revenue- Division of Motor Vehicles** stated this proposal ASS requires changes to the voter registration process that is incorporated in the driver license application system. Officials assume programming modifications would be made to the over-the-counter driver licensing system. Officials estimate a one-time cost for contracted programming at \$8,000, internal programming at \$8,800. Total estimated cost to the Highway Fund in FY 2004 is \$16,800.

Officials of the **Office of Administration- Budget and Planning** assume no fiscal impact to their office.

Officials of the **Office of Attorney General** assume costs of this proposal could be absorbed with existing appropriations.

Section 116.175 amends procedures to be followed in challenging ballot titles on petitions, bills etc. In response to an almost identical proposal the **Office of State Auditor** assumed no fiscal impact and the **Office of State Court Administrator** assumed no fiscal impact.

**Oversight** assume there would be no cost to the **Departments of Corrections..**

Officials of the **Kansas City Board of Election Commission** stated that this proposal would increase the cost of elections in their jurisdiction by approximately 15%. Officials stated that a November (even year) election runs about \$350,000. 15% of \$350,000 would be \$52,500. Officials stated that the increase would not be one-time but ongoing.

Officials of the **Platte County Board of Election Commission** assume this proposal would cost their authority an estimated \$280,750 in FY 2004; \$35,000 in FY 2005; and \$36,000 in FY 2006.

Officials estimate cost in FY 2004 from the following:

\$1,000 - Section 115.417.2 Printing of new posters and notices to voters.

\$25,000 - Upgrading and replacement of existing workstations and printers for state voter registration system.

\$500 - Section 115.155 Postage and printing to track down voters not responding to questions on voter registration applications.

\$192,000 - Section 115.076 Purchase DRE machine for each polling site.

\$60,000 - Section 115.076 Purchase laptop computers for each polling site for use of DRE machine.

\$250 - Section 115.287.3 Cost to reprint Military/Federal ballot envelopes.

\$1,000 per election with state or federal issues/ candidates. - Cost to print used but uncounted

ASSUMPTION (continued)

provisional ballots as mandated by Sections 115.159.2; 115.159.3.2; 115.430.2  
 Officials estimate that the provisions of Section 115.073 would cost approximately \$25,000 annually for legal fees to determine disputes between city approved budget and county approved buget.

**Oversight assumes that costs to locals for equipment to upgrade statewide voter registration and to improve the election process would be partially reimbursed by the Secretary of State from federal funds acquired for that purpose. According to the Secretary of State, if the Help America Voter Act of 2002 were fully funded by Congress, the states' share would be approximately \$57,000,000. The current estimated share of Federal Funds for the state is \$9,000,000. Officials stated that this will not fully fund the federal mandate of the HAVA of 2002. Officials assume that local election authorities will have to share of some of the cost of upgrading the electoral process in the state. The amount of local costs are unknown. Until the Secretary of State promulgates rules for the expenditure of the federal funds, and until the amount of federal funds available is known, the amount of local costs is unknown. It is possible that Congress would increase the appropriation for the Help America Voter Act of 2002. If this would happen then local might not have any cost other than maintenance costs of computers and other equipment. Oversight will show cost to locals as Unknown, and on a statewide basis cost would exceed \$100,000 annually.**

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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**GENERAL REVENUE FUND**

<u>Cost</u> to Secretary of State			
5% federal match for HAVA	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>Cost</u> to State Treasurer Office			
Personal Service (1.0 FTE)	(\$23,442)	(\$28,833)	(\$29,554)
Fringe Benefits	(\$9,487)	(\$11,669)	(\$11,961)
Equipment	(\$4,080)	(\$309)	(\$318)
Expense	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total</u> cost to State Treasurer	<u>(\$37,009)</u>	<u>(\$40,811)</u>	<u>(\$41,833)</u>

<b>ESTIMATED NET EFFECT TO GENERAL REVENUE FUND</b>	<u>(\$37,009)</u>	<u>(\$40,811 to Unknown)</u>	<u>(\$41,833 to Unknown)</u>
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## FEDERAL FUNDS

<b><u>Income</u></b> to Secretary of State from Federal Match	\$9,000,000	Unknown	Unknown
<b><u>Cost</u></b> to Secretary of State providing election services	(\$9,000,000)	(Unknown)	(Unknown)
<b><u>Total</u></b> effect to Secretary of State	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

## HIGHWAY FUND

<b><u>Cost</u></b> to Department of Revenue Programming and testing	(\$16,800)	\$0	\$0
<b><u>Total</u></b> cost to Department of Revenue	<b><u>(\$16,800)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b><u>ESTIMATED NET EFFECT TO HIGHWAY FUND</u></b>	<b><u>(\$16,800)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<b><u>FISCAL IMPACT - Local Government</u></b>	FY 2004 (10 Mo.)	FY 2005	FY 2006
<b><u>Cost</u></b> to Local Election Authorities for various provisions, mailings, ballots *	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

\* Cost on a statewide basis is expected to exceed \$100,000 in election years

## FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

## DESCRIPTION

This bill revises the election laws, predominately to facilitate compliance with the federal Help America Vote Act of 2002 (HAVA). In its main provisions, the bill:

- (1) Requires the Governor to appoint election commissioners who are not of the same political

DESCRIPTION (continued)

party as the Governor from a list submitted by the state committee of that party and authorizes the Governor to appoint additional nonvoting representatives to the boards of election commissioners (Section 115.027, RSMo);

(2) The general operating expenditures from the general revenue funds of Platte County or any city within Platte County would be subject to the budgeting approval of the governing body of such city or county in an adequate amount to fund elections. (Section 115.073)

(3) Specifies that federal funds may be used also for loan programs to the local election authorities and authorizes the Secretary of State to allow, rather than require, local election authorities to match the federal funds (Sections 115.074, 115.076, 115.098, and 115.801);

(4) Establishes a fund within the state treasury for grants to be used for election administration improvements and establishes a revolving loan fund to be used for improving the administration of elections through loans. The bill also clarifies that the money deposited in the Elections Administration Improvements Fund may be transferred to the loan fund (Section 115.078);

(5) Establishes a statewide pool for election judges and requires election authorities, before appointing judges from another jurisdiction, to obtain written consent from the election authority of the jurisdiction where the prospective judges are registered to vote. In addition, employees of the state and boards are allowed to serve as election judges (Section 115.085);

(6) Election authorities would be required to establish training courses of election judges. The authority could compensate the judges with approval of the governing body (Section 115.103)

(7) Clarifies that challengers and watchers must be registered voters from the jurisdiction of the election authority for which the challenger or watcher is designated (Sections 115.105 and 115.107);

(8) Prohibits a court from ordering an issue or candidate placed on the ballot less than six weeks prior to an election, except as otherwise authorized by law (Section 115.125);

(9) Provides the procedure to be followed by election authorities upon receipt of notice of a special election to fill a vacancy submitted pursuant to Section 115.125. (Section 115.127).

(10) Includes technical changes from last year's bill (Sections 115.133, 115.135, and 115.277);

(8) Adds information to the registration form as required by Section 303(b)(4) of HAVA (Section 115.155);

(11) Requires election authorities to forward to the Secretary of State registration and other information in a manner that complies with HAVA (Section 115.157);

(12) Establishes the Missouri Voter Registration System to comply with Section 303 of HAVA. The bill also includes voter registration verification provisions required by Section 303 of HAVA, clarifies the meaning of "commercial purposes," and specifies that local election authorities must forward data in accordance with the requirements of HAVA (Section 115.158);

(13) Adds provisions concerning identification requirements and fail-safe voting for mail-in

DESCRIPTION (continued)

registrants as required by Section 303 of HAVA (Section 115.159);

(14) Defines "overseas voter" (Section 115.275);

(15) Makes changes relating to uniformed and overseas citizens as required by Sections 703, 704, 705, and 707 of HAVA (Section 115.279);

(16) Amends procedures to be followed by election authorities when voters request an absentee ballot. (Section 115.283)

(17) Allows election authorities to deliver absentee ballots not earlier than 10 weeks before an election. Current law allows the ballots to be delivered not earlier than six weeks (Section 115.284);

(18) Clarifies language regarding confined voters, requires a team to deliver absentee ballots to confined voters, and changes the color of a stamp on the ballot envelope (Section 115.287);

(19) Specifies that a special write-in absentee ballot may be requested for special or primary federal elections in addition to general elections (Section 115.292);

(20) Adds language concerning voter education provisions as required by Section 302(b) of HAVA (Section 115.417);

(21) Clarifies that a provisional ballot cast at the wrong polling place will not be counted as authorized by Section 302(a)(4) of HAVA, requires the Secretary of State to ensure that a toll-free access system for provisional voters is established, addresses the handling of ballots for voters who vote after the polls close, which is required by Section 302(c) of HAVA (Section 115.430);

(22) Specifies the correct month for the presidential primary (Section 115.761);

(23) Adds new language intended to facilitate fair ballot language on statewide measures (Section 116.025); and

(24) Amends the law that regulates the fiscal notes, ballot titles, and summaries on petitions, joint resolutions, or bills that go on the ballot. (Section 116.175)

(25) Designates the Secretary of State as the chief election official responsible for the administration and coordination of state responsibilities under HAVA; authorizes the Secretary of State to appoint commission members, develop and submit plans, set voting systems standards and compliance deadlines, and any other activities reasonably necessary to comply with HAVA; requires the Secretary of State to establish state-based administrative complaint procedures to remedy grievances under HAVA; and authorizes the Secretary of State to promulgate rules to effectuate the provisions of this section (Section 28.035).

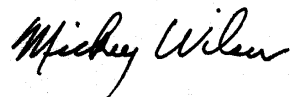
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Auditor  
Office of Attorney General  
Office of Secretary of State  
Department of Revenue- Motor Vehicles  
Office of State Treasurer  
Department of Health- Vital Statistics  
Kansas City Board of Election Commission  
Office of Administration- Budget and Planning  
Office of State Court Administrator  
Platte County Board of Election Commission

NOT RESPONDING

The County Clerks of : Callaway, Cass, Warren, Butler, Greene, Jefferson, Marion, and the St. Louis County Board of Election Commission.



Mickey Wilson, CPA  
Director  
April 3, 2003



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